

EXHIBIT F



Three Penn Plaza
Newark, NJ 07102-2200
www.HorizonBlue.com

December 28, 2010

MONTVALE SURGICAL CTR.
6 CHESTNUT RIDGE RD.
MONTVALE, NJ 07645

Dear: Montvale Surgical Ctr.

The following is in response to your recent inquiry dated December 6, 2010 regarding reimbursement to your facility for patient [REDACTED] claim number 20102370568300.

Ambulatory surgical center charges are often far in excess of what the largest healthcare payer in the country, Medicare, would reimburse. In some instances, they may be as much as five to ten times the Medicare payment rate and are not representative of reasonable or appropriate rates.

As a result, in October, 2004, Horizon BCBSNJ updated the out-of-network allowance for reimbursement of non-participating New Jersey ambulatory surgery centers. In establishing an updated out-of-network allowance for New Jersey ambulatory surgical center services, Horizon BCBSNJ engaged a nationally recognized consulting firm specializing in healthcare matters to research and develop the updated allowance.

Before the updated allowance became effective, a letter was sent to all facilities advising them that the allowance was updated. A second letter was also sent to each facility in early July, 2005, again reminding them of Horizon's updated out-of-network allowance for non-participating New Jersey ambulatory surgery centers. Those facilities that became operational after July, 2005, have also received correspondence advising them of the updated allowance.

In closing, the payment made to your facility is correct, and is in accordance with the Horizon's reimbursement policy.

Sincerely,

N Sanders

Centralized Institutional Service Center
Institutional Correspondence Specialist